



Formal Communication

TO: WIB Directors

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DATE: August 3, 2005

**Workforce Investment Act – Technical Assistance Bulletin
WIA – TAB 2005-001**

Incentive Payments to WIA Participants

Question: Are incentive payments an allowable activity for WIA participants?

Response:

The Department of Workforce Development (DWD) has determined incentive payments are allowable only for the WIA Title IB Youth program and not for the WIA Title IB Adult and Dislocated Worker programs.

This TAB is providing additional guidance for DWD Policy 2004-17 entitled, “Participant Payment Policy,” dated December 9, 2004.

The Act and Regulations indicate that the approach to serving youth needs to differ from the approach used for adults and dislocated workers. The Youth program design needs to be more individually-focused, as most of their needs differ from adults and dislocated workers. Specifically, incentive payments may be provided to recognize and reward achievement in the youth program, motivating youth to continue participating in WIA services. As such, Section 129(a)(5) specifically identifies incentives as allowable under the WIA youth program.

The Act and Regulations are silent on incentives for adults and dislocated workers. DWD believes adults and dislocated workers need no such motivation as they should already recognize the need for workforce development and the benefits that can be obtained by participation in WIA services. Incentive payments made to Adults and Dislocated Workers will become disallowed costs as of Wednesday, August 3, 2005.

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